

QUESTIONS AND ANSWERS

Letter/Notice to Households and the Application

1. Q: How do I handle the distribution of applications for year-round schools?

A: Applications should be distributed no earlier than July 1 of each school year. This is to ensure that households provided current eligibility criteria and eligibility determinations are based on the current income eligibility guidelines.

2. Q: May I provide applications at the end of the school year for parents to return at the beginning of the next school year?

A: No. Households **MUST** be provided with the income application and other eligibility criteria on or about the beginning of the school year. Income applications may be distributed and approved once the sponsor application renewal has been approved, but may not be distributed prior to July 1, and no more than 30 days prior to the first day of school.

3. Q: May I distribute applications in the lunch line?

A: This is not recommended. If the application is distributed in the lunch line, all students may not have access to the application.

4. Q: May I distribute the applications to the children or do I have to mail them to the parents? May I announce that applications are available in the principal's office for any child or parent who wants one?

A: The school may distribute the applications to the children. They do not have to be sent in the mail. For example, the school could include the application in a packet of school-related information addressed to the parent, but carried home to the parent by the student at the beginning of the school year. Schools must distribute income applications to students in a manner that prevents overt identification and ensures that no child is inadvertently excluded from participation. Applications **MUST** be distributed in some manner. A public announcement that applications are available and interested parties may pick one up is not sufficient.

5. Q: Must I send applications to children who were approved last year?
- A: Schools are required to distribute applications each school year to all children in attendance that were not determined eligible through Direct Certification match results. Schools may not distribute applications prior to July 1st, and not more than 30 days prior to the first day of school. This requirement is designed to ensure that current annual income and household size are correctly represented each year. The only exception to this requirement is afforded to schools that elect to participate in the Special Assistance certification and reimbursement alternatives. (See section on Special Assistance, page 53.)
6. Q: In a computerized operation, may I submit a pre-printed copy of last year's application for the household to confirm the accuracy of the application and sign it? If not, what items may I pre-print?
- A: It is the household's responsibility to complete the application. A school may send households an application with the child's name, the name of the household and the household's address pre-printed on it. No other information may be pre-printed.
7. Q: Do I have to provide foreign language translations of the application and household letter/notice if I have translators available to assist the households in completing the application?
- A: LEAs MUST send appropriate non-English language parent letters and application forms to households if a significant number of enrolled children come from households belonging to the same foreign language group and having limited English communication skills. If the number of non-English language households is not significant, the LEAs need not provide foreign language translations. Such LEAs are, however, encouraged to provide assistance in filling out applications through the use of foreign language personnel.

Processing Applications

8. Q: How much judgment or discretion may a LEA exercise in determining whether a household does or does not meet the eligibility criteria for benefits?
- A: Frequently, questions arise concerning what is to be included as income and what constitutes a household. The *Free and Reduced-Price Policy Handbook* is intended to provide guidelines for those individuals making eligibility determinations. The guidance cannot, however, address each individual situation. Determining officials will occasionally have to apply the broad concepts set forth in this guidance to some individual situations. If unusual situations unlike any examples in the guidance arise, the determining official should contact the Arizona Department of Education, School Health and Nutrition Programs.

9. Q: How quickly should I process applications?

A: Applications for new students and others who cannot be provided meal benefits based on the prior year's eligibility should be processed as quickly as possible. For children with an application on file from the prior year, such as returning students and new students who had siblings in the school the prior year, an eligibility determination should be made within 10 working days of the return of the new application.

10. Q: If a student leaves the LEA late in the school year, in March for example, and returns at the beginning of the next school year, may the child be fed based on last year's application prior to application approval?

A: Yes the child is eligible for the first 30 operating days, if the child was eligible for benefits when the household left the LEA.

11. Q: If any item of required information is missing from the free and reduced-price application, may the determining official make an eligibility determination on the basis of a sibling's application or must he/she consider the application incomplete and take follow-up action?

A: A determining official may look to a sibling's application for any item of required information, except CA/Food Stamp information. Since CA/Food Stamp eligibility is on an individual basis, the determining official MUST either contact the household for that information or consider the application incomplete.

The official may staple the applications together. In lieu of stapling the two applications together, the official may photocopy the complete application and staple the photocopy to the incomplete application or transfer the information from the complete application, initialing it and noting the source of the information. The complete application MUST be readily available for review.

12. Q: If any item of required information is missing from the free and reduced-price application, may the determining official complete the application for the household using information derived from other records available to the school?

A: No item of required information may be derived from a source other than the household or a sibling's application.

13. Q: A household voluntarily provided pay stubs with the application which conflict with the income information on the application. According to the income information on the application, the household is eligible for benefits. However, the pay stubs indicate the household is not eligible. What should the determining official do?

A: The submission of eligibility information that does not support the content of the application MUST NOT affect the initial eligibility determination. The determining official MUST approve or deny the application on face value and notify the household of the initial eligibility determination. However, when the household submits eligibility information, either voluntarily or as required by the school, that does not confirm the

level of benefits for which the household has been approved, the school official **MUST** take appropriate action. When this occurs at the time of application, the school may combine the notice of approval with the notice of adverse action in a single letter. This provides the household opportunity to resolve the discrepancy during the 10-day advance notice of adverse action. However, when the determining official believes that the household may have additional information substantiating the eligibility determination, the school may combine the notice of approval with the notice of selection for verification to give the household opportunity to submit additional documentation to confirm eligibility. School officials are in the best position to determine the appropriate action to take. However, the inconsistency **MUST** be resolved.

14. Q: A household voluntarily provided pay stubs with the application, but did not write the amount of each person's income on the application. All other items were completed. According to the pay stubs, the household is eligible for benefits. What should the determining official do?
- A: Rather than denying the application or returning the application to the household, the determining official may contact the household, by phone or in writing, to ensure that the household submitted all documentation of income. The official should document the contact, enter the information on the application, and initial and date the action.
15. Q: A family recently moved to Arizona, the family reports zero income, but was a Food Stamp household in the other state. Could this family be determined free based on their out-of-state Food Stamp number?
- A: No, when a new child enrolls in school, it is recommended that the applicant's eligibility be based on the household's current circumstances. When a household leaves a state, the household can no longer receive Food Stamps from that state. The current circumstances would warrant a temporary approval, based on zero income. At the end of the temporary approval, Food Stamp certification in Arizona should be complete. The family would provide an Arizona Food Stamp number at this time.
16. Q: What is acceptable as an adult signature?
- A: Any printed name or cursive signature appearing in the space following the certification statement is an acceptable signature. We cannot expect all legal signatures to be cursive.
17. Q: When a Household Application is submitted for each sibling separately and the adult signature is missing on one or more of the applications can a sibling's application with a signature be photocopied and/or stapled to the application(s) missing the signature(s) to make a complete application?
- A: Yes, if the remainder of the information on the application with the missing signature is the same as the information on the application(s) missing the signature.

18. Q: Several applications, none of which is complete, are submitted from the same household for different children. How many sibling applications can be used to generate a complete application?
- A: There **MUST** be at least one complete application in which the household member has certified the information to be correct from which information may be obtained to complete one or more sibling applications.
19. Q: If a sibling was not listed on last year's application but comes from a family with children who were eligible for free meals last year, can I claim free reimbursement for that child before applications are processed for the school year?
- A: Yes, the LEA may claim the same level of benefits for new children from households with children who were approved for benefits last year, **EXCEPT THAT** categorical eligibility, direct certification, and case number eligibility cannot be applied to a sibling.
20. Q: Can the determining official make an eligibility determination based upon other income sources, which were not declared on the application but about which the official knows?
- A: No. The determining official **MUST** make the initial determination based upon the face value of the application. However, immediately after the application is approved, the LEA may begin the verification process on that application.
21. Q: What if the determining official suspects that there are other sources of income?
- A: Any application that contains questionable information **MUST** be verified as soon as possible.

Complete Application

22. Q: Does an emancipated child sign his/her own applications? Is a social security number required?
- A: An emancipated child who lives alone as a household of one or as a member of a household with no adult members **MUST** sign his or her own application. No social security number is required, since the emancipated child is not an adult.

23. Q: Who signs the application for a foster child?
- A: The foster parent/guardian or other official representative for the child **MUST** sign the application for a foster child; however, the foster parents'/guardians' income, household size and social security number are not needed on the application.
24. Q: Does income have to be indicated on the application for a foster child?
- A: Yes. The child's income **MUST** be considered for the eligibility determination. A foster child's income includes funds provided by the welfare agency, which is specifically identified by category for the personal use of the child, such as for clothing, school fees and allowances. In addition, other funds received by the child are included as income; for example, income a child earns for full-time or regular part-time employment and money provided by the child's family for personal use. If no funds are specifically identified for personal use, income should be listed as "0," and the application should be approved for the full school year. This also applies to applications for children residing in residential child care institutions.
25. Q: What if there is no income on an application? Do I consider it as zero, or should I go back to the household for additional information?
- A: If no income is listed on the application, the determining official should contact the household for additional information. If the determining official is unable to contact the household, the application **MUST** be denied because it would be incomplete.
26. Q: What if the racial/ethnic data collection question is not completed?
- A: Parents' provision of this information is voluntary and failure to provide the information **MUST NOT** affect the child's eligibility for benefits. LEAs are required to develop alternative means of obtaining racial and ethnic data for applicants when such information is not voluntarily provided by parents on the application.
27. Q: What applications may be considered for temporary approval?
- A: Applications receiving temporary approval may include those from households affected by temporary layoffs, strikes, temporary receipt of public assistance and zero income. Zero income, however, may be acceptable for a foster child or institutionalized child, and does not require any further action. Determining officials should use their own judgment and consider temporary approval for other questionable situations.

28. Q: An application was approved for benefits and the household notified. During a review of the applications later in the school year, the reviewer discovered that the determining official had erred and that the information on the application did not support the household's eligibility for benefits. What should be done?
- A: Whenever there is a reduction or termination of benefits, for whatever the reason, households **MUST** be provided the 10-day advance notice of adverse action. When there is an increase in the level of benefits, the household **MUST** be notified and the increase in benefit level provided promptly.
29. Q: What kind of notice is recommended for children determined to be eligible for free or reduced-price meals?
- A: Households **MUST** be notified of their eligibility for benefits. LEAs should notify households of their child's eligibility for free or reduced-price benefits either in writing or by phone. Households denied benefits **MUST** be notified in writing.
30. Q: If a school is providing benefits for a child during the first 30 operating days of the school year based upon income information from the previous year's eligibility, and upon receiving the current year application for the household, the school determines there is a change in the household's eligibility, is it necessary to provide the notice of reduction or termination of benefits at the end of the 30 days, or earlier date as determined by the LEA?
- A: No, it is **NOT** necessary to provide this notice of reduction or termination of benefits at the end of the 30 days, or earlier date.

Maintenance of Applications

31. Q: Do applications have to be maintained at the school, or may they be maintained at a central location with a list of eligible students maintained at the school?
- A: Applications may be maintained either at the school or at a central location with a list of eligible students (roster) maintained at the school. If a LEA elects to maintain applications at a central location, applications **MUST** be retrievable by the school, and the LEA **MUST** ensure that changes in eligibility status and transfers in and out of the school are accurately reflected on each school's roster in a timely fashion, such as three operating days.
32. Q: In a computerized operation, where the computer generates the determination, does the determining official have to sign or initial each application?
- A: No. The determining official may sign/initial and date a sheet of paper, which would then be attached to a batch of applications. However, the computer system should be able to capture the original date of approval and update the status of applications to account for transfers, withdrawals, terminations and other changes.

33. Q: May changes in status of an application be maintained in a computer instead of being noted on the application?

A: Yes. Changes in the status of an application may be maintained in a computer instead of being noted on the application. School officials **MUST** ensure that the changes are readily retrievable by school and are provided to state and federal reviewers along with the applications during a review of the applications.

34. Q: If I have temporarily approved an application, and if after the temporary approval period I know that circumstances have not changed, do I have to contact the household, or may I automatically extend the temporary approval?

A: After the temporary approval period, each household should be contacted again to offer the household an opportunity to report changes in household size and income information. They must also submit documentation and a reasonable explanation to the LEA of how the household is able to survive with out any source of income.

Income

35. Q: Why is the off-base housing allowance provided to service personnel counted as income when the value of on-base housing is not?

A: Income is defined as all cash received on a recurring basis. In-kind benefits, by definition, are not cash payments and, therefore, are not considered as income for the purpose of determining free and reduced-price eligibility. School officials are not in a position to determine the value of in-kind benefits, such as housing for clergy, cars for salespersons, employee medical or dental benefits, etc. The income exclusion for in-kind benefits is uniform throughout the school meal programs. To treat in-kind benefits provided to military households differently from in-kind benefits provided to the general population would create an inequity. The fact that the value of military on-base housing is more readily identifiable than other sources of in-kind benefits would not lessen the inequity.

36. Q: What are some examples of payments from federal programs, which are excluded from consideration as income by legislative prohibition?

A: (1) The value of assistance to children and their families under the National School Lunch Act, the Child Nutrition Act of 1966 and the Food Stamp Act of 1977; (2) any payment to volunteers under Title I (VISTA and others) and Title II (RSVP, foster grandparents and others) of the Domestic Volunteer Service Act of 1973 to the extent excluded by that Act; (3) payments received under the Job Training Partnership Act; and (4) student financial assistance received under Title IV of the Higher Education Act of 1965, including the Pell Grant, Supplemental Education Opportunity Grant, State Student Incentive Grants, National Direct Student Loan, PLUS, College Work Study and Byrd Honor Scholarship Programs, to the extent excluded from the Act.

37. Q: Is the U.S. Armed Forces FSSA counted as income for the purposes of determining eligibility?

A: For eligibility determination purposes, the FSSA payments MUST be counted as earned income to the household, because there is no legislative authority that would permit the exclusion of FSSA payments from consideration as income. Please note that some military families receiving FSSA payments may still be income eligible for free or reduced price meal benefits. Other military families receiving FSSA payments also may be certified to receive Food Stamp benefits; families receiving Food Stamps would be eligible for free meals or free milk in the NSLP, SBP and SMP.

38. Q: What is included as income for foster children?

A: Funds provided by the welfare agency that are specifically identified by category for the personal use of the child, such as for clothing, school fees, and allowances. Welfare funds paid to the foster parents identified by category for shelter and care, and those identified as special needs funds, such as those for medical and therapeutic needs, are not considered as income. Where welfare funds cannot be identified by category, no portion of the provided funds is considered as income; and other funds received by the child, including any income the child earns for full-time or regular part-time employment, and money provided by the child's family for personal use.

39. Q: What income is reported for students who reside in a residential childcare institution (RCCI)?

A: Payments from any source, directly received by the institution on the child's behalf, are not considered as income to the child. However, the money a child personally receives or earns from any full-time or regular part-time source is considered income.

40. Q: Is an application required for students who reside in an RCCI and attend public school during the day?

A: Yes. The day school MUST have an application on file for each child for whom a free or reduced-price meal is served and claimed for reimbursement, regardless of the child's place of residence. A complete application would consist of the student's name listed in the foster child section of the application, income information, and the signature of the adult authority of the student's residence.

Institutionalized children are not to be categorically certified as eligible for free or reduced-price benefits. A record of each child's income, even if "0," MUST be identified on the application for free and reduced-price meals.

41. Q: If the household indicates \$0 for income, is that sufficient?
- A: "Zero income" is sufficient for a temporary approval. School officials should confirm the continued eligibility of a zero income Household Application every 45 days. However, some circumstances may warrant approval of a zero income application for the school year, such as for the foster or institutionalized child.
42. Q: If one household owns a housing unit and rents living space to another household, does the household receiving the rental fee have to report this amount as income?
- A: Yes. Income includes money derived from rent of room(s), apartment(s), etc. If a household receives rental income from another household, it **MUST** be included as income. The treatment of rental income would be similar to the treatment of self-employment income.
43. Q: Are children for whom households receive adoption assistance payments under Title IV-E of the Social Security Act automatically eligible for free school meals?
- A: No. Although Sections 673 and 674 of the Social Security Act specify that, for purposes of Titles XIX (medical assistance) and XX (child care), children whose parents receive adoption payments shall be deemed to be recipients of the Aid to Families with Dependent Children program, the statute did not extend this equivalency to the NSLP, SBP or SMP. Additionally, since there is no legislative prohibition from considering the adoption assistance payments as income, the amount of assistance **MUST** be included as household income in the free and reduced-price meal eligibility determination.

Household Size

44. Q: When foster parents apply for benefits for their own children, do they include their foster children as household members, and do foster parents include the payments provided by the welfare agency for care of the foster children as income to the household?
- A: No. Since each foster child, including a preschool foster child, is a household of one, foster children are not included in the foster parents' household. Payments received by the household for care of the foster child are intended to be used for the foster child and, therefore, are not included as part of the foster parents' income.
45. Q: How do I handle joint custody of a child?
- A: In cases where joint custody has been awarded, the child is part of the household where he/she resides. In some cases, the child's living arrangements

could change monthly, weekly or daily. The child MUST be provided appropriate benefits. The LEA MUST develop some reasonable mechanism to ensure that the child receives the benefits to which he/she is entitled.

46. Q: What if a child lives with his/her parents and is required to pay for room and board? Is the child a separate household?
- A: No. The family continues to have legal responsibility for the child. The child may be considered a separate household only in those cases where the court has declared the child to be emancipated.
47. Q: If two separate households rent living space (e.g., an apartment or house), and one household gives its portion of the rent to the other household, which in turn transmits the full rent to the landlord, does the rental income given to the transmitting household count as rental income?
- A: No. The transmitting household has not received income; rather, it is performing a simple financial transaction that does not provide it with additional income.
48. Q: What do I do if a child is eligible for free meals, but the household wants to pay the reduced-price?
- A: The school should respect the family's wishes and allow the child to pay the reduced price. The application should correctly reflect that the child is eligible for free meals. However, the school should note on the application that the family has elected to pay the reduced price. The meals served to such a child MUST be claimed for reduced-price reimbursement since the school received the reduced-price payment from the household.
49. Q: May the approval of applications be delegated to a Food Service Management Company along with other management responsibilities?
- A: No. The determination of eligibility for free and reduced-price meals is a LEA responsibility and may not be assigned to a Food Service Management Company. School officials are directly responsible for determining eligibility and maintaining the confidentiality of the information on the application.
50. Q: How do I determine the eligibility of a household that has some children who are included under a Cash Assistance (CA) unit and other children who are not under the CA unit?
- A: Children in a CA unit are eligible for free benefits. The application for such children need only contain the child's name, a current CA number for each child eligible under the CA unit, and the signature of an adult household member. The application for children in the same household who do not fall under a CA

unit **must** include the information required of all other households, i.e., name of all household members; social security number of the adult household member who signs the application, or an indication that the household member does not have a social security number; the amount of income each household member receives and where it comes from (including the amount of the CA or other welfare grant); and the signature of an adult household member.

51. Q: If a child is taken out of their home by Child Protective Services (CPS) and placed with a family member not receiving benefits, what household do I determine this child to be a member of?

A: When CPS removes a child from their home the child becomes a ‘temporary court ward’ and is the legal responsibility of CPS. Since the agency retains legal responsibility for the child, the house of the family member is, in fact, an extension of that agency and the child is considered an economic unit of one. Since the child is an economic unit of one, the household size or income of the family member is not used to determine eligibility.

Processing Applications Update

52. Q: What is acceptable as an adult signature?

A: Any printed name or cursive signature appearing in part 5 of the free and reduced-price application is an acceptable signature.

53. Q: Once an application is approved, how long does the eligibility last?

A: According to Reauthorization 2004, benefit determinations are certified for one year.

54. Q: Several Household Applications, none of which is complete, are submitted from the same household for different children. How many sibling applications can be used to generate a complete application?

A: There must be at least one complete application in which the household member has certified the information to be correct. Information from this complete application may be used to complete one Household Application.

Special Milk Program

55. Q: What are the requirements for LEAs operating the SMP?

A: A free policy statement MUST be approved by the SA for LEAs participating in the SMP with the free milk option. LEAs may submit one policy statement for both meals and milk when some of the schools in the district participate in the SMP and others participate in meal programs. Specific instructions on the development of the policy statement and policy approval process are provided to LEAs by the State Agency.

Categorical Eligibility – Head or Even Start

56. Q: Does categorical eligibility apply to State-funded Head Start programs?
- A: Categorical eligibility can be used in State funded pre-kindergarten Head Start programs with eligibility requirements identical to or more stringent than those used by the Federally-funded Head Start centers.
57. Q: What is considered acceptable documentation of a child's Head Start or Even Start participation?
- A: Documentation of a child's Head Start or Even Start participation could include: 1) an approved Head Start or Even Start application for the child's family; or 2) a statement of enrollment in Head Start or Even Start; or 3) a list of children participating in Head Start or Even Start; and in the case of Even Start, confirmation that the child has not yet entered kindergarten.

Direct Certification

58. Q: May parents of children who are determined to be eligible under direct certification refuse the benefits?
- A: Yes, parents may refuse benefits by notifying the school after they receive the notice of their eligibility.
59. Q: What are the record retention requirements for LEAs that implement direct certification?
- A: LEAs MUST keep documentation for direct certification on file for a minimum of 3 years after submission of the final claim for reimbursement for the fiscal year to which they apply. In the case of an audit, the LEA MUST keep the documentation on file beyond the 3-year period until resolution of the audit findings.

Confidentiality

60. Q: What does disclosure mean as it relates to children's personal free and reduced-price meal eligibility information?

A: Disclosure means revealing or using individual children's program eligibility information that is obtained through the free and reduced-price eligibility process for a purpose other than the purpose for which the information was obtained. Disclosure includes but is not limited to access, release, or transfer of personal data about children by means of print, tape, microfilm, microfiche, electronic communication or any other means. It includes eligibility information obtained through the free and reduced-price application or through direct certification and whether the children are eligible for free meals or reduced-price meals.

61. Q: May representatives of State or local education agencies evaluating the results and compliance with student assessment programs have access to children's eligibility information?

A: State and local representatives of State or local education agencies would be covered only to the extent that the assessment program was established at the State, not local level.

62. Q: May the principal of a school compare the test scores of students in his/her school by socioeconomic status, to the test scores of students in another school in the same district?

A: Students' names and free or reduced-price eligibility status may be disclosed, without consent, for a Federal or State education program. Parental consent is required for disclosure for a local education program or use.

63. Q: May the LEA disclose eligibility information to other CNPs?

A: The LEA may disclose all eligibility information from children's free and reduced-price applications or information obtained through direct certification to persons directly connected with the administration or enforcement of the *programs authorized under the NSLP or Child Nutrition Act of 1966*. This includes the NSLP, SBP, SMP, Child and Adult Care Food Program (CACFP), Summer Food Service Program (SFSP), and the Special Supplemental Nutrition Program for Women, Infants and Children (WIC). This means that program eligibility information collected for any one of the CNPs may be shared with another CNP, even if the programs are sponsored by different entities. For example, a public school may disclose information from children's free and reduced-price school meal applications, without parental consent, to a SFSP administered by Parks and Recreation.

64. Q: Who are persons “directly connected” to the administration or enforcement of a program?

A: The LEA may disclose children’s eligibility status only to persons determined to be “directly connected” with the administration or enforcement of a Federal education program, State education program, State health program or a means-tested nutrition program; also, to persons directly connected with the Comptroller General Office or law enforcement for an authorized activity.

Persons directly connected to program administration or program enforcement include Federal, State and local program operators responsible for the ongoing operation or activities of their respective program, and compliance officials responsible for the monitoring, reviewing, auditing or investigating a program authorized to have access to free and reduced-price eligibility information.

65. Q: To which nutrition programs may an LEA disclose children’s eligibility information?

A: Federal, State or local means-tested nutrition programs with eligibility standards comparable to the NSLP (i.e., food assistance programs to households with income at or below 185% of the Federal poverty level, such as the Food Stamp Program or a State or local nutrition program).

66. Q: May the elementary district LEA that feeds into the local high school district LEA provide the high school LEA with the previous school year’s eligibility determinations to allow the high school LEA to certify the new students for the first 30 days?

A: Yes. In order for the high school LEA to use previous school year’s eligibility determinations for the first 30 days, the elementary LEA must provide the high school LEA with copies of the household applications and both LEAs must also sign a confidentiality agreement.